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Rotten Fruits 2: South African Farm Workers Pay a High Price for Profits

Abstract

Agricultural trade has changed significantly over the last decade. Big supermarkets in the North are emerging as the big winners, profiting hugely from this change in agricultural trade, whereas workers, particularly seasonal, women workers, are the big losers. In March 2005 Action Aid, in partnership with the Women on Farms Project commissioned a study into the living and working conditions of workers on farms supplying Tesco, one of the major supermarkets in the United Kingdom. This investigation found that the living and working conditions of workers and seasonal women workers in particular are dismal as they face insecurity, low wages, unsafe working conditions, food insecurity and appalling housing conditions. A follow-up investigation in January 2006 found that not much has changed. Workers still earn poverty wages, housing conditions are abysmal and female, seasonal workers still face great insecurity, discrimination and a daily assault on their dignity. The only positive change is some of the efforts are made by farmers towards minimising farm worker exposure to pesticides.

The International Context

The international trading arena has changed significantly over the last few years. This is particularly evident in the area of agricultural trade. The last decade has seen an increase in the trade of agricultural produce. In 2000 alone \$558 billion worth of agricultural products were traded. Not only has there been an increase in agricultural trade, but the types of agricultural products which are being traded have also changed. Changing lifestyles and a shift in demands from consumers, particularly those in the North, for healthier, safer, quality foods have meant that traditional mass-produced agricultural produce have made way for non-traditional foods and "niche" commodities such as fresh fruits and vegetables and organic produce.

This change in agricultural trade has also been accompanied by a reconfiguration of the role-players involved. Traditional leaders are being overshadowed by new players. These new players are assuming increasing dominance in determining the terms and conditions under which agricultural trade occurs. Many have commented on what appears to be a parallel trend of deregulation coupled by a simultaneous process of re-regulation in agricultural trade. Nation states are expected to liberalise their economies and open up their borders in order to facilitate international trade. At the same time however, private institutions such as the World Bank and the World Trade Organisation are laying more and more stringent requirements on third world economies in order for them to participate in agricultural trade.

Box 1 De-regulation

"A subset of regulatory reform and refers to complete or partial elimination of regulation in a sector in order to improve economic performance"

Regulation has moved out of the public arena into the private arena. Some observers have commented that "the diminishing ability of the public sector to regulate trade has provided an opportunity for the private sector to reorganize aspects of the market to better suit its needs". In this new trading environment, big supermarkets,

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particularly those in the North, have emerged as another one of those private institutions which are dominating agricultural trade. The last few years have seen astronomical growth in the number and size of supermarkets in the north (see box 2).

Box 2 The Rise of the Supermarkets

In the United States, the number of supermarkets almost doubled between 1958 and 1972. By the 90's supermarkets held three quarters of all grocery store sales and 94% of all food store sales. Supermarkets in the USA and "super centres" owned by companies like Wal-Mart and Kroger controlled 92% of fresh-produce retailing by 1997. In Europe, 69% of European consumers report that they buy their food from supermarkets and make an average of 2.14 trips to the supermarket per week.

This dominance of supermarkets means that they possess great power in determining the terms and conditions of trade. Supermarkets set particularly stringent rules and regulations which producers have to meet in order to secure shelve space. Shelve space in supermarkets in the North has become a particularly coveted commodity in today's trading environment and producers often have no choice but to adhere to these requirements if they want to dispose of their produce.

This intense competition for shelve space means that supermarkets are the big winners and producers are at the losing end as very little of the profits of agricultural trade reach farms in the South (see box 3). Producers are in a very precarious position as supermarkets can at will choose to terminate a contract or set new requirements for production and packaging of agricultural goods. The real losers in all this however are the workers in the vineyards, orchards and pack houses as the costs associated with the exploitative practises of supermarkets are passed down to them. This results in more "flexible" production methods.

Box 3 Losers and Winners

Oxfam reports that the real export prices paid for South African apples for example have fallen by 33% since 1994. The real prices paid to Florida tomato growers have fallen by 25% since 1992, yet US supermarkets selling these tomatoes have raised the real price to consumers by 46%.

A dominant feature of this flexible production is the casualization of the labour force as the permanent workforce is increasingly being replaced by a temporary, casual labour force which can be easily discarded should a contract with a supermarket not be renewed.

Another popular strategy employed by employers to reduce labour costs is the use of labour contractors. A labour contractor is an intermediary who is responsible for sourcing temporary labour, supervising and paying them. The use of labour contractors is a strategy used by employers to reduce labour costs as the farm pays the labour contractor a fee and he/she then has to pay the workers. The farm does not have to take any responsibility for ensuring that the labour contractor pays workers the minimum wage or non-wage benefits such as unemployment insurance, maternity, annual and sick leave. The use of a labour contractor is thus also an important strategy used by employers to evade labour legislation.

Other flexible production methods include, *flexible remuneration* (piece-rate payment) and *multitasking* where for example workers are shifted between different tasks such as packing, grading, trimming and bar-coding, tasks which require different skills sets, but command the same level of remuneration.

This unprecedented rise in the power and influence of big supermarkets however has not gone uncontested. The last few years have seen a number of initiatives from non-governmental organizations and consumer groups, aimed at challenging the power of big supermarkets (see Box 4).

Box 4 Ethical Trade Initiatives

Many initiatives such as the Ethical Trading Initiative (ETI), the Apparel Industry Partnership and the Council on Economic Priorities (CEP) Accreditation Agency's international social accountability standard, SA 8000, have sprung up over the last few years. The Ethical Trading Initiative was established in 1998 and is an alliance between retailers in the UK, such as Marks & Spencer, Tesco, Sainsbury, trade unions and NGO's. The Apparel Industry Partnership which included corporations, trade unions and NGO's, was convened by the White House in 1996 in an attempt to create a "no sweat label". The CEP Accreditation Agency was created by the US based non-profit Council on Economic Priorities (CEP) and published the SA 8000 standard which covers labour issues. Another prominent initiative is Fair Trade which was started by OXFAM in the UK and SOS-Kinderdorf in the Netherlands. Fair Trade is an alternative marketing strategy in which produce from the South is directly marketed by these NGO's to consumers in the North as fairly or ethically produced products.

The Tesco's Supplying Farms Research Project

The investigation into the working and living conditions of workers on Tesco's fruit supplying farms in South Africa was first was carried out in March 2005 on fruit farms in the Boland region of the Western Cape. In-depth, face to face interviews were conducted with farm workers.

The main findings of the research were that:

- Farm workers are paid below minimum wage
- Farm workers are recklessly exposed to hazardous pesticides in orchards
- Farm workers are suffering household food insecurity
- Casual farm workers are trapped in dismal housing
- Casual workers are suffering employment insecurity and denied employment rights and benefits.

This research served as a baseline study for a second round of the research which was carried out towards the end of January 2006. The main objectives of the second round of the research were to establish whether or not the research findings of the 2005 research still hold, what, if any, new trends can be observed on these farms and whether or not living and working conditions on the farms which were researched in 2005 have improved or deteriorated.

Methodology

In order to answer these questions, in-depth, face to face interviews were conducted with ten of the twelve original interviewees who were interviewed in 2005. Nine of the ten respondents were female farm workers and one was a labour broker who operates in the Grabouw area. The other two interviewees could not be reached as they were in the Eastern Cape at the time the fieldwork was conducted. Of the nine female workers who were interviewed, four are seasonal workers, two are permanent workers, one is a permanent "casual", one has since lost her job and the other one, who worked as a seasonal worker, has since fallen ill and is no longer able to work. A questionnaire was administered to respondents and interviews were recorded. The questionnaire focused on issues such as working conditions, i.e. wages, non-wage benefits, working hours, health and safety, housing, food security, general quality of life of the family unit and aspirations for the future. The interviews delivered a wealth of interesting information.

Findings

The majority of the interviewees were of the opinion that there has not been any improvement in the quality of their lives in the last year. Only one respondent felt that her life has improved somewhat. This however can not be attributed to an improvement in her working conditions, but to the fact that she can now access the child support grant of R130 provided by the government for each of her two children.

1) Continued Casualization of the Work Force

All of the respondents have been employed on their respective farms for a number of years. The years of service range from six years to fourteen years. Although they could not provide exact figures, all of them reported that more and more seasonal workers are being employed on their farms. The permanent workforce has progressively shrunk in comparison with the seasonal workforce over the last few years.

One respondent, a seasonal worker who has been employed on the farm for thirteen years, reported that the seasonal workforce now stands at about 300, which is significantly larger than when she first started working on the farm. Another respondent, a permanent worker, who has been in the farm's employment for fourteen years, estimates that there are now close to twelve seasonal teams on the farm, compared to only two seasonal teams a decade ago.

This trend towards increased casualization is also evident in the fact that all the seasonal workers who were interviewed have been employed on the farm for more than five years, one for as long as thirteen years, and have still not been promoted to permanent employment.

The trend continues to be observed in the increasing number of labour brokers which now operate in the agricultural industry of the Western Cape. According to Mr. Jacobs¹, a labour broker in the Grabouw area, there were only about five or six labour brokers when he first started out twelve years ago, compared to approximately two hundred and fifty in the Grabouw area alone today. According to Mr Jacobs "daar het nou sommer agter elke bos 'n kontrakteur uitgespring²". This situation is of cause a fertile breeding ground for unscrupulous practices both on the side of contractors and the farmers who make use of them. Mr. Jacobs however claims that the problem more often than not lies with unethical farmers.

He does not work in the Grabouw area anymore, because according to him Grabouw farmers refuse to pay the minimum wage. After he has subtracted his costs (transport, etc.) he can not afford to pay his workers the minimum wage. Because there is such an abundance of labour brokers, farmers refuse to sign any written contract with a labour broker. In fact, according to Mr. Jacobs, sometimes a farmer will recruit a worker from one of the seasonal work teams to be a labour broker. In some cases this individual will not have any transport to carry out the job nor will they be able to even read or write. However, as long as he can assemble a team of workers none of this matters. What tends to happen in such cases is that, the farm will provide the transport and will then deduct this money from the wages. According to Mr Jacobs there are many so called labour brokers in the Grabouw area who are currently in great debt with government, because they can not even afford to pay the mandatory workman's compensation and unemployment insurance to government. At the end of the day all of this comes back to seasonal, contract workers in the form of wages that are below the minimum level set by government.

They have no job security, earn very low salaries and often have little to no benefits at all. However, seasonal workers are not a homogenous group. There are those who are directly employed by the farm, those who are recruited through a labour broker and African, migrant workers who are "fetched" by the farmer from the rural areas of the Eastern Cape for the duration of the season and are taken back at the end of the season. If seasonal workers are at the bottom of the food value chain, then those recruited through labour brokers and African migrant workers are at the very, very bottom of the food value chain.

This is perfectly illustrated by the following two profiles:

Janice Olivier³ is a seasonal worker who is directly employed by the farm, a fruit farm in the Stellenbosch area. She has been employed on the farm for six years, earns about R500 a fortnight and receives paid annual leave of

¹ Not his real name

² You can now find a labour contractor behind every bush

³ Not her real name

three weeks, paid sick leave on presentation of a doctor's certificate, unemployment insurance and a harvesting bonus⁴.

Anna Jacobs on the other hand is a 59 year old seasonal worker who works for a labour broker in the Grabouw area. She has been doing contract work for the past seven years. She has no written employment contract, earns forty rand a day and has no other non-wage benefits, not even unemployment insurance. During the interview she produced a payslip reflecting that she earned R47 for two days work. Besides her name and the amount of R47, nothing else is recorded on the payslip. She also could not tell why she only earned R47, instead of R80 for the two days of work.

2) Non Compliance to Legal Minimum Wages for Farm Workers

Of those interviewed, six earn the minimum wage and three earn below the minimum wage⁵. However, all the respondents were unhappy about the minimum wage as it is not enough to meet all their basic needs. Many complained that the money they earn only barely covers food and is not enough to buy other items like clothing and furniture or to afford their own housing. Workers often have no other choice, but to borrow money from the farmer to buy items such as school uniforms for their children. In some cases they have to buy food on credit from the farm shop. Often at the end of the week they go home with no or very little money after all their debts have been deducted from their salaries. The poverty wages they earn keep workers in a continuous cycle of indebtedness to and dependence on the farmer. This quote from one of the respondents captures their feelings about this situation very well "Ons staan altyd met 'n oop hand voor die boer, ek will ook graag hê ons mense moet op ons eie bene kan staan"6.

Often single mothers have no other choice but to live with their parents or family members as they are not in a position to afford their own housing or adequately meet their children's needs. Of the nine women workers interviewed, six were single mothers and all of them were living with their parents or family members. One admitted that if it was not for her parents' old-age pension she would not be able to make it. It is clear that even the minimum wage is not a sufficient living wage and the only way farm workers survive is by relying on their extended social networks and by pooling resources. Even then however, it is hardly enough to afford basics like housing, clothing, let alone extras like entertainment.

3) Livelihood Insecurity and Vulnerability

Many researchers have commented on the insecurity and vulnerability of farm workers in general and seasonal women workers in particular. During this phase of the research project the researchers came face to face with exactly how vulnerable and insecure the lives of seasonal, female farm workers really are. The life circumstances of at least two of the respondents have changed dramatically since March 2005, when the first round of the research was conducted.

Thandi Mazubuko⁷, a seasonal worker in the Grabouw area's husband died towards the end of 2005. She was left behind with two small children to support. The farmer informed her that since she did not have a husband

⁵ Area A (Grabouw, parts of Ceres, Stellenbosch falls under this area)

	Area A	Area B	
Hourly wage	R4.87	R 4. 03	
Daily wage	R43.83	R36.27	
Weekly	R219.15	R181.35	
Monthly	R949.58	R785.79	

⁶ "We always stand with an open hand in front of the farmer (begging), I wish that our people could also stand on our own feet".

⁴ This is not necessarily the case for all seasonal workers directly employed by a particular farm, so these findings can not be generalised to all farms.

⁷ Not her real name

anymore, she could no longer live on the farm. She had no choice, but to evacuate the home and move in with her father on a neighbouring farm. This meant that she had no transport from her new place of residence to her place of work and she could no longer take her youngest child to the crèche on the farm where she used to live. In addition to losing her home, she was now forced to give up her job as she did not have the means to get to work and had no one to look after baby.

Gina Malgas⁸ is a 36 year old seasonal worker. She has worked on a large fruit farm in the Ceres area for seven years. Although she worked throughout the year, she was still classified as a seasonal worker. In September 2005, she suffered a stroke which left her paralysed on her left hand side. She is not able to walk or even bath herself. She has two children, one aged ten and the other aged 15. Besides a packet of biscuits and a juice that she received from a farm representative while still in hospital, she has received no assistance, financial or otherwise from the farm. She now has to apply for a disability grant from the government as she will never be able to work again. However, even this process is a struggle as she has no transport to get to the government offices to submit her forms.

4) Discrimination on the basis of Gender and Race

The story of Thandi Mazubuko is a perfect example of the discrimination that women farm workers face on a daily basis. Often, the only way to access a home is through a male partner. In the words of one respondent "As jy nie 'n man het nie, is jy 'n niks op die plaas". Lenore Rhodes, a permanent worker who has worked on this particular fruit farm in the Ceres area for fourteen years, is currently living with her sister and her family. She lost her home when her husband had an affair. Although they have not been divorced yet, she was told by the farmer's son that she has to find alternative accommodation as "he found another wife for her husband". Her three children live with her husband and his new partner and she is not able to see them as often as she would like to.

One permanent female worker reported that permanent women workers do not belong to the "voorsorgfonds" (pension), only the men do. On more than one occasion we were told that seasonal women workers are told to go home on rainy days and receive no payment for the day. However the men are allowed to continue working inside and get paid.

Another form of discrimination that we came across is the discrimination against African workers. These workers are often housed in "compounds", as opposed to stand alone houses made available to coloured workers. The "compound" is a hostel type set-up where workers (even those with families) have a room, but share a kitchen, shower and toilet facilities. The toilets are usually outside.

On one farm in Ceres we discovered that farm management go to great lengths to keep coloured and black african workers separate. For instance coloured and black workers on this farm get paid on alternate weeks. As a result of this they have different "bus days". This means that the bus will collect all the coloured workers to take them to town one week and will do the same for the black workers the next week, effectively limiting social interaction between the groups.

5) Human Dignity

The housing conditions on all the farms researched are appalling. In many instances it is hard to imagine how the farm owners can justify that it is fine for human beings to live in such conditions. All the houses are in a state of disrepair, some with broken windows, falling ceilings and if the walls are painted, one can certainly not tell what colour they are. On one farm respondents complained that the farmer promised to repair their homes after he renovated his own home. This was three years ago and nothing has happened since.

⁹ If you don't have a husband, you are nothing on this farm

⁸ Not her real name

Respondents also complained that they are not allowed to go home during lunchtimes and no facilities are provided for them where they can eat their lunch. As a result they have to eat their lunch in the orchards. One interviewee was particularly indignant about this fact and responded "We are being treated like pigs". Another sore point was the toilet facilities in the orchards. Seven of the nine respondents reported that mobile toilets are provided in the orchards. However, these are not flush toilets. This is a great inconvenience to say the least.

6) Health and Safety

All respondents, except for the seasonal worker employed by a labour broker, receive overalls and water boots for free. However they have to pay for work shoes. The farmer's justification for not paying for work shoes is that workers will wear these on the weekend.

On a more positive note, it seems that relative to last year, farmers are making a greater effort to make the workplace a safer place for workers. All the respondents reported that the orchards are not sprayed with pesticides while the workers are still working in the orchards. It was reported that on one farm a new practice was instituted in September 2005. A red board is hung outside a particular orchard signalling to the workers that this orchard has been sprayed and they are not allowed to enter. The board changes to white when it is safe for workers to enter.

Concerns About the Future

The responses of workers to questions about their standard of living and their concerns and wishes for the future, ranged from resignation to resentment. However, most were on the resignation side. When asked about what they needed to improve their lives, some found it difficult to articulate this. It is almost as if they have become so accustomed to not asking for anything, because they receive so little. They were however passionate about their children's future. None of them ever want their children to end up working on a farm. However in some cases, this is almost impossible to avoid. Like in the case of Lenore Rhodes whose sixteen year old son is now also working on the farm. She had no choice, but to take him out of school as neither her or his father could afford to pay his school fees. Her eight year old was also out of school for a few months last year for the same reason.

Then there is Gertrude Booysen¹⁰ who with the help of her parents managed to keep her eldest son in school, he is currently completing his matric. Her wish is that the big overseas supermarkets would sponsor those children who wish to continue their studies after matric, since she is not in a position to pay for her son to further his studies.

Concluding Remarks

It is clear that a year after the initial research, there has been no significant improvement in the lives of the farm workers who participated in the first round. Seasonal women farm workers still bear the brunt of unfair living and working conditions. Women workers are still discriminated against. The minimum wage is completely inadequate to afford farm workers and their children a decent standard of living as they can not even afford the basics such as housing, clothing and education for their children. The only positive one can speak of is the effort that is being made to improve health and safety in the workplace.

10	Not	her	real	name
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